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SCULLY SCOTT MURPHY & PRESSER
400 GARDEN CITY PLAZA
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SHERR, CRISTINA O	

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BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Application Number: 09/457,842
Filing Date: December 09, 1999
Appellant(s): SAWADA ET AL.

John F. Volopia, Reg. No. 36,299
Scully, Scott, Murphy & Presses, P.C.
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed March 5, 2008, and Supplemental Appeal Brief, filed April 14, 2008, appealing from the Office action mailed August 10, 2007.

(1) Real Party in Interest

A statement identifying by name the real party in interest is contained in the brief.

(1) Real Party in Interest

A statement identifying by name the real party in interest is contained in the brief.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The statement of the status of claims contained in the brief is correct.

(4) Status of Amendments After Final

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

(5) Summary of Claimed Subject Matter

The summary of claimed subject matter contained in the brief is correct.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claims 1, 3-8, 10-16 and 21-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Iida (US 6,209,787).

Iida discloses a data charging system for charging for the use of object data (e.g. abstract), the system comprising: a server machine for generating contents containing a plurality of types of object data (e.g. col 2 ln 5-50),

an IC card including a recording medium for recording (i) charging data for paying for said object data and (ii) recognition data for identifying the type of the object data (e.g. col 2 ln 40-50),

and a client machines for receiving said contents generated by the server machine (e.g. col 3 ln40-50),

the client machine' including a data charging apparatus for using said IC card to charge for the use of said object data by using said charging data and said recognition data which have been recorded on said IC card (e.g. col 4 ln 20-35);

wherein said data charging apparatus comprises:

data reading logic for reading out said recognition data and said charging data from said recording medium (e.g. col 5 ln 30-35);

a separator for separating said object data from said contents (e.g. col 5 ln 40-45),

a recognition logic for identifying the specific type of said separated object data by using said recognition data (e.g. col 5 ln 45-50);

an accounting logic for dynamically charging for the use of said separated object data, based on the type of data said separated object data is, as determined by using said recognition data, and by using said charging data which has been read out from the recording medium (e.g. col 5 ln 60-65),
and a writing logic for writing, as part of said charging data in the recording medium, the results of charging for the use of said separated object data (e.g. col 5 ln 55-60).

Although Iida does not use the same terminology or the same order of steps as the instant application, it would be obvious to one of ordinary skill in the art to adapt Iida to obtain the instant application so that copyright owners may be assured their royalties thus providing a return for both the musical industry and musical composers.

Regarding claim 3 –

Iida discloses, in a data charging system including a server machine which records, on an IC Card recording medium, charging data for paying for object data and contained in contents and recognition data used for identifying the type of object data in said contents and pays for the use of said object data by using said charging data and said recognition data which has been recorded in the recording medium, a client machine including a data charging apparatus comprising: a data reading logic for reading said recognition data and said charging data from said recording medium, a separator for separating said object data from said contents, a recognition logic for identifying the type of said separated object data by using said recognition data read out from the recording medium, an accounting logic for dynamically charging for the use of said separated object, based on the type of data said separated object data is, as

determined by using said recognition data, and data by using said charging data which has been read out from the recording medium, and a writing logic for writing, as part of said charging data in the recording medium, the results of charging for the use of said separated object data (e.g. col 5 ln 55-60).

As above, although Iida does not use the same terminology or the same order of steps as the instant application, it would be obvious to one of ordinary skill in the art to adapt Iida to obtain the instant application so that copyright owners may be assured their royalties thus providing a return for both the musical industry and musical composers.

Regarding claim 4 –

Iida discloses the data charging apparatus according to Claim 3, wherein said contents comprise said object data and said recognition data for recognizing this object data, said separator separates said object data and said recognition data from said contents, said recognition logic recognizes said object data, based on said recognition data 'which has been separated from said contents and on said recognition data which has been read out from said recording medium, and said accounting logic charges for said object data by using said charging data which has been read out (e.g. col 4 ln 35-62).

Regarding claim 5 –

Iida discloses a data charging apparatus comprising a watermarking logic for embedding digital watermarks in said object data which has been separated from said contents, wherein said separator separates said object data and said recognition data

from said contents, said recognition logic recognizes said object data, based on said recognition data which has been separated from said contents and on said recognition data which has been read out from said recording medium, and said accounting logic charges for said object data embedded with said digital watermarks (e.g. col 6 ln 50-65).

Regarding claim 6 –

Iida discloses a data charging apparatus according to Claim 3, wherein a digital watermark is embedded in said object data in said contents, said data charging apparatus further comprising a means for detecting if said object data is embedded with said digital watermark, said separator separating said object data and said recognition data from said contents, said recognition logic recognizing said object data, based on said recognition data which has been separated from said contents and on said recognition data which has been read out from said recording medium, and said accounting logic charging for said object data only if said object data is found to be embedded with said digital watermark (e.g. col 3 ln 50-65).

. Regarding claims 7-8 –

Iida discloses a data charging apparatus wherein said charging data recorded on said recording medium contains at least payment data which indicates payment made in advance for the use of said object data, and said accounting logic charges for the use of said object data within limits of an amount indicated by said payment data contained in said charging data and wherein said charging data recorded on said recording medium further contains unit price data representing .an accounting unit for the use of said object data and a price corresponding to the accounting unit, said data charging

apparatus comprising an accounting unit detection logic for detecting unit accounting amount data which represents an amount of said accounting unit for the object data which has been separated from said contents, said accounting logic charging within the limits of the amount indicated by said payment data, based on said unit price data contained in said charging data which has been read out and on the unit accounting amount data which has been detected. (e.g. col 55 ln 42-60).

Regarding claim 10 –

Iida discloses a data charging method for using a server machine for generating contents which contain a plurality of types of object data and recognition data used for the identifying this object data in the generated contents, recording, in an IC card including a recording medium, (i) charging data for paying for said object data and (ii) the recognition data used for identifying the specified type of the object data, and charging for the use of said object data by using said charging data and said recognition data which have been recorded, comprising the steps of: delivering the generated contents to a client machine; and using the client machine for reading said recognition data and said charging data from the said IC card, separating said object data from said contents, identifying the specified type of said separated object data by using said recognition data which has been read out from the IC card to charge dynamically for the use of said separated object data, based on the specified type of data said object data is, as determined and by using said charging data which has been read out from the recording medium; and writing as part of said charging data, the results of charging for the use of said recognized object data (e.g. abstract, col 55 ln 30-65).

As above, although Iida does not use the same terminology or the same order of steps as the instant application, it would be obvious to one of ordinary skill in the art to adapt Iida to obtain the instant application so that copyright owners may be assured their royalties thus providing a return for both the musical industry and musical composers.

. Regarding claims 11-12 –

Iida discloses a data charging method wherein said object data in said contents are embedded with digital watermarks, comprising the steps of: separating said object data and said recognition data from said contents; recognizing said object data, based on said recognition data which has been separated from said contents and on said recognition data which has been read out from said recording medium; detecting said digital watermark embedded in said object data; and charging for said recognized object data only by using said charging data which has been read out if said object data is found to be embedded with said digital watermark; comprising the steps of: separating said object data and said recognition data from said contents; recognizing said object data, based on said recognition data which has been separated from said contents and on said recognition data which has been read out from said recording medium; embedding digital watermarks in said separated object data; and charging for the use of the object data embedded with said digital watermarks by using said charging data which has been read out (e.g. col 44 ln 42-60).

Regarding claim13 –

Iida discloses in a data charging apparatus of a data charging system which uses a server machine to record, on an IC card including a recording medium, (i) charging data used for paying for object data of a specified type and contained in contents and (ii) recognition data used for identifying the specified type of the object data in said contents, and charges for the use of said object data by using said charging data and said recognition data which have been recorded; a computer program product enabling a client machine that has received said contents to execute the steps of: reading said recognition data and said charging data, separating said object data from said contents, identifying the specified type of said separated object data by using said recognition data which has been read out to charge dynamically for the use of said separated object data, based on the specific type of data said separated object data is, as determined by using said, 'recognition data, and by using said charging data which has been read out from the recording medium, and writing, as part of said charging data, the results of charging for the use of said recognized object data into said recording medium (e.g. abstract, col 5 ln 30-65).

As above, although Iida does not use the same terminology or the same order of steps as the instant application, it would be obvious to one of ordinary skill in the art to adapt Iida to obtain the instant application so that copyright owners may be assured their royalties thus providing a return for both the musical industry and musical composers.

Regarding claims 14-16 –

Iida discloses a computer program product wherein said contents contain said object data and said recognition data used for recognition of the object data, said object data and said recognition data are separated from said contents in said separation step, said object data is recognized in said recognition step, based on said recognition data which has been separated from said contents and on said recognition data which has been read out from the recording medium, and a charge is made for said object data in said charging step by using said charging data which has been read out; wherein the computer is made to execute the step of embedding digital watermarks in said object data which has been separated from said contents, said object data and said recognition data are separated from said contents in said separation step, said object data is recognized in said recognition step, based on said recognition data which has been separated from said contents and on said recognition data which has been read out from the recording medium, and a charge is made for said object data embedded with said digital watermarks in said charging step; wherein said object data in said contents are embedded with digital watermarks, the computer is further made to execute the step of detecting that said object data is embedded with said digital watermarks, said object data and said recognition data are separated from said contents in said separation step, said object data is recognized in said recognition step, based on said recognition data which has been separated from said contents and on said recognition data which has been read out from the recording medium, and a charge is made for said object data in said charging step only if said object data is found to be embedded with said digital watermark (e.g. col 4 ln 6-24).

. Regarding claim 21 –

Iida discloses a data charging system according to Claim 1 wherein the server generates a watermark information about the digital watermark and also embedded in said contents (e.g. col 8 ln 55-60).

. Regarding claims 22-23 –

Iida discloses a method according to Claim 11, further comprising the step of embedding in said contents information about the digital watermarks; wherein the embedding step includes the step of embedding in said contents instructions for embedding the contents with said digital watermarks. (e.g. col 15 ln 55-60).

Regarding claims 24-25 –

Iida discloses a data charging system according to Claim 1, wherein: the content generator also puts recognition data in said contents; and the object data is identified based on the recognition data in said contents and said recognition data read from the IC card; wherein the recognition logic compares the recognition data read out with the recognition data separated from said contents to determine if said two kinds of recognition data match (e.g. col 5 ln 30-50).

(10) Response to Argument

First Issue

Appellants argue, regarding claims 1, 2, 3, 10, and 13, that nothing in the cited reference discloses, teaches or suggests, “the features that an IC card includes a recording medium for recording (i) charging data for paying for the object data and (ii)

recognition data for identifying the type of object data and determining the charge for the object data sent to the client machine."

Examiner respectfully disagrees and directs attention to Iida, wherein, "member card can be automatically manufactured based on anything which can verify the customer's identification, such as the customer's driver's license or bank card." (col 10 ln 33-36), thus is obvious to one of ordinary skill in the art that a member card (which is the equivalent of an IC card) when based on a bank card would include a recording medium for recording (i) charging data for paying for the object data and (ii) recognition data for identifying the type of object data and determining the charge for the object data sent to the client machine. Further, *KSR* forecloses Appellant's argument that a specific teaching is required for a finding of obviousness. *KSR,* 127 S.Ct. at 1741, 82 USPQ2d at 1396.

Second Issue

Appellants argue that nothing in the cited reference discloses, teaches or suggests "discloses a separator and recognition logic for identifying the specific type of the separated object data by using the recognition data".

Examiner respectfully disagrees and directs attention to Iida, wherein "information storing unit is preferably a musical composition information storing unit, and the plurality of information stored therein are a plurality of musical composition information which includes information concerning a musical composition list, a musical composition data, an index and a copyright. (col 5 ln 25-30) Although Iida does not specifically disclose separating, it obviously must be performing the separation, and it

obviously must be identifying the object itself as well as the type of data and other identifying characteristics. It would be obvious to one of ordinary skill in the art to separate the object data from the identification data, and to perform the separation through some sort of logic. Further, *KSR* forecloses Appellant's argument that a specific teaching is required for a finding of obviousness. *KSR,* 127 S.Ct. at 1741, 82 USPQ2d at 1396.

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

Cristina Owen Sherr, AU 3685

/ANDREW J. FISCHER/
Supervisory Patent Examiner, Art Unit 3621

Conferees:

Vincent A. Millin

/A. J. F./
Andrew J. Fischer
Supervisory Patent Examiner, Art Unit 3621

Vincent Millin /VM/

Appeals Conference Spaecialist

09/457,843 APPEAL TABLE – Claim 1 and Iida (US 6,209,787)

Clause No.	**Claim 1**	Iida (US 6,209,787)
1	A data charging system for charging for the use of object data, the system comprising: a server machine for generating contents containing a plurality of types of object data,	"system for purchasing" (abs) Server machine = store "backchannel company" (fig 1)
2	an IC card including a recording medium for recording (i) charging data for paying for said object data and (ii) recognition data for identifying the type of the object data,	"IC card" ="member card" (col 10 ln 24)
3	and a client machines for receiving said contents generated by the server machine,	"client machine" = "store" fig 1
4	the client machine including a	"card reader" in fig 2

Clause No.	Claim 1	Iida (US 6,209,787)
	data charging apparatus for using said IC card to charge for the use of said object data by using said charging data and said recognition data that have been recorded on said IC card;	
5	wherein said data charging apparatus comprises: data reading logic for reading out said recognition data and said charging data from said recording medium,	a unit connected to the first entering unit for identifying whether or not the customer is an authorized customer based on the entered identification information; 20 a second entering unit connected to the identifying unit for entering at least one designated information by the customer when the customer is identified as an authorized customer in accordance with the identifying unit; (col 2 ln 63 - col 3 ln 3)
6	a separator for separating said object data from said contents,	information storing unit is preferably a musical composition information storing unit, and the plurality of information stored therein are a plurality of musical composition information which includes information concerning a musical composition list, a musical composition data, an index and a copyright. (col 5 ln 25-30)

Clause No.	Claim 1	Iida (US 6,209,787)
		does not specify separating, but obviously must be doing it
7	a recognition logic for identifying the specific type of said separated object data by using said recognition data,	See 6, above
8	an accounting logic for dynamically charging for the use of said separated object data, based on the type of data said separated object data is, as determined by using said recognition data, and by using said charging data which has been read out from the recording medium, and	"predetermined accounting process" `implementing a predetermined accounting process regarding the recording media into which the information is recorded.` (col 6 ln 35-38)
9	a writing logic for writing, as part	Part of predetermined accounting process above, also "latest information storing unit for storing

Clause No.	Claim 1	Iida (US 6,209,787)
	of said charging data in the recording medium, the results of charging for the use of said separated object data.	the latest information”